

105TH CONGRESS  
1ST SESSION

# H. R. 637

To amend the Internal Revenue Code of 1986 to allow a credit against the estate tax for certain transfers of real property for conservation purposes.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 6, 1997

Mr. FRELINGHUYSEN introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to allow a credit against the estate tax for certain transfers of real property for conservation purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Federal Open Space  
5       Acquisition and Preservation Act of 1997”.

6       **SEC. 2. ESTATE TAX CREDIT FOR CERTAIN TRANSFERS OF**  
7                       **REAL PROPERTY FOR CONSERVATION PUR-**  
8                       **POSES.**

9       (a) GENERAL RULE.—Part II of subchapter A of  
10      chapter 11 of the Internal Revenue Code of 1986 (relating

1 to credits against tax) is amended by adding at the end  
 2 thereof the following new section:

3 **“SEC. 2017. CREDIT FOR CERTAIN TRANSFERS OF REAL**  
 4 **PROPERTY FOR CONSERVATION PURPOSES.**

5 “(a) GENERAL RULE.—If the executor makes a  
 6 qualified conservation transfer of any real property (or in-  
 7 terest therein), there shall be allowed as a credit against  
 8 the tax imposed by section 2001 with respect to the estate  
 9 of the decedent an amount equal to the value (as deter-  
 10 mined under this chapter with respect to the estate of the  
 11 decedent) of such property (or interest therein).

12 “(b) LIMITATION.—The amount allowed as a credit  
 13 under subsection (a) shall not exceed the amount of the  
 14 tax imposed by section 2001 with respect to the estate  
 15 of the decedent, reduced by the amount equal to the value  
 16 (as determined under this chapter with respect to the es-  
 17 tate of the decedent) of such property (or interest therein).

18 “(c) QUALIFIED CONSERVATION TRANSFER.—For  
 19 the purposes of this section, the term ‘qualified conserva-  
 20 tion transfer’ means any transfer of any real property in-  
 21 cluded in the gross estate of the decedent (or any interest  
 22 therein) if—

23 “(1) such transfer is to an agency of the United  
 24 States,

1           “(2) such transfer is accepted by such agency  
2           for use exclusively for conservation purposes (as de-  
3           fined in section 170(h)), and

4           “(3) such transfer is made without any pay-  
5           ment or reimbursement from such agency.

6           “(d) DENIAL OF DOUBLE BENEFIT.—No deduction  
7           shall be allowed under this chapter with respect to any  
8           transfer for which the estate claims the benefits of this  
9           section.”

10          (b) CLERICAL AMENDMENT.—The table of sections  
11          for subchapter C of chapter 11 of such Code is amended  
12          by adding at the end thereof the following new item:

                  “Sec. 2017. Credit for certain transfers of real property for con-  
  servation purposes.”

13          (c) EFFECTIVE DATE.—The amendments made by  
14          this section shall apply to transfers made after the date  
15          of the enactment of this Act.

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